

12-05-2006



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2006 DEC -1 AM 11:39

To the Director of the U. S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

1. Name of conveying party(ies):Horizon Group USA, Inc.
Horizon Fabrics, Inc.
Hirschberg Schutz & Co., Inc.
Devrian Global Industries, LLC

- ☐ Individual(s) ☐ Association
☐ General Partnership ☐ Limited Partnership
☒ Corporation- State: New Jersey
☐ Other _____

Citizenship (see guidelines) _____

Additional names of conveying parties attached? ☐ Yes ☒ No**3. Nature of conveyance)/Execution Date(s) :**Execution Date(s) Septmeber 25, 2006

- ☒ Assignment ☐ Merger
☐ Security Agreement ☐ Change of Name
☐ Other _____

2. Name and address of receiving party(ies)Additional names, addresses, or citizenship attached? ☐ Yes ☒ NoName: PNC Bank, National Association

Internal

Address: PNC Bank CenterStreet Address: Two Tower Center, 8th FloorCity: East BrunswickState: New JerseyCountry: USA Zip: 08816

- ☒ Association Citizenship USA
☐ General Partnership Citizenship _____
☐ Limited Partnership Citizenship _____
☐ Corporation Citizenship _____
☐ Other _____ Citizenship _____

If assignee is not domiciled in the United States, a domestic representative designation is attached: ☐ Yes ☒ No
(Designations must be a separate document from assignment)**4. Application number(s) or registration number(s) and identification or description of the Trademark.****A. Trademark Application No.(s)**78859817; 78859868; 78626436; 78695116; 78693778;
76650201; 76656509; 76660978; 76650246; 76650247**B. Trademark Registration No.(s)**2906966; 2884787; 2906965; 2946426; 2918324; 2687583;
2737779; 2712612; 3056747; 2907560; 3090680;Additional sheet(s) attached? ☐ Yes ☒ No**C. Identification or Description of Trademark(s) (and Filing Date if Application or Registration Number is unknown):****5. Name & address of party to whom correspondence concerning document should be mailed:**Name: Edward J. Albowicz, Esq.Internal Address: Wilentz, Goldman & Spitzer, P.A.Street Address: 90 Woodbridge Center DriveCity: WoodbridgeState: New Jersey Zip: 07095Phone Number: (732) 636-8000Fax Number: (732) 855-6117Email Address: Ealbow@wilentz.com**6. Total number of applications and registrations involved:**

22

7. Total fee (37 CFR 2.6(b)(6) & 3.41) \$ 565.00

- ☐ Authorized to be charged by credit card
☐ Authorized to be charged to deposit account
☒ Enclosed

8. Payment Information:a. Credit Card Last 4 Numbers _____
Expiration Date _____

b. Deposit Account Number _____

Authorized User Name _____

9. Signature:

Edward J. Albowicz, Esq.

Name of Person Signing

November 30, 2006

Date

Total number of pages including cover sheet, attachments, and document: 1

FIRST AMENDMENT TO PATENTS, TRADEMARKS AND COPYRIGHTS SECURITY AGREEMENT

THIS FIRST AMENDMENT TO PATENTS, TRADEMARKS AND COPYRIGHTS SECURITY AGREEMENT (the "Agreement") is entered into September 25, 2006 by and among HORIZON GROUP USA, INC., a corporation organized under the laws of the State of New Jersey ("Horizon USA"), HORIZON FABRICS, INC., a corporation organized under the laws of the State of New Jersey ("Horizon Fabrics"), HIRSCHBERG SCHUTZ & CO., INC., a corporation organized under the laws of the State of New Jersey ("Hirschberg"), and DEVRIAN GLOBAL INDUSTRIES, LLC, a limited liability company organized under the laws of the State of New Jersey ("Devrian" and collectively with Horizon USA, Horizon Fabrics and Hirschberg, the "Assignors"), the financial institutions which are now or which hereafter become a party hereto (collectively, the "Lenders" and individually a "Lender") and PNC BANK, NATIONAL ASSOCIATION ("PNC"), as agent for Lenders (PNC, in such capacity, the "Agent").

RECITALS

Whereas, the Assignors and PNC entered into a certain Patents, Trademarks and Copyrights Security Agreement dated August 15, 2002 (as is being and may be further amended, restated, modified and/or extended, the "Security Agreement"); and

Whereas, Assignors and PNC have agreed to modify the terms of the Security Agreement as set forth in this Agreement.

Now, therefore, in consideration of PNC's continued extension of credit and the agreements contained herein, the parties agree as follows:

AGREEMENT

1) **MODIFICATIONS.** The Security Agreement be and hereby is modified as follows:

- (a) Schedules A, B, C and D of the Security Agreement are hereby deleted and replaced with revised Schedules A, B, C and D attached hereto.
- (b) The definition of "Credit Agreement" is hereby deleted and replaced with a new definition to read as follows:

"Assignors" shall mean, collectively, Horizon Group USA, Inc., Horizon Fabrics, Inc., Hirschberg Schutz & Co., Inc. and Devrian Global Industries, LLC.

- (c) The definition of "Credit Agreement" is hereby deleted and replaced with a new definition to read as follows:

"Credit Agreement" shall mean that certain Amended and Restated Revolving Credit and Security Agreement by and among the Assignors and the Lenders dated September 25, 2006, as amended, restated, replaced, supplemented and/or modified from time to time.

2) **ACKNOWLEDGMENTS.** Assignors acknowledge and represent that:

- (A) the Security Agreement, as amended hereby, is in full force and effect without any defense, claim, counterclaim, right or claim of set-off;
- (B) to the best of their knowledge, no default by the Agent or Lenders in the performance of their duties under the Security Agreement has occurred;
- (C) all representations and warranties of the Assignors contained herein are true and correct in all material respects as of this date, except for any representation or warranty that specifically refers to an earlier date;

(D) Assignors have taken all necessary action to authorize the execution and delivery of this Agreement; and

(E) this Agreement is a modification of an existing obligation and is not a novation.

- 3) **MISCELLANEOUS.** This Agreement shall be construed in accordance with and governed by the laws of the State of New Jersey, without reference to that state's conflicts of law principles. This Agreement constitutes the sole agreement of the parties with respect to the subject matter thereof and supersedes all oral negotiations and prior writings with respect to the subject matter thereof. No amendment of this Agreement, and no waiver of any one or more of the provisions hereof shall be effective unless set forth in writing and signed by the parties hereto. The illegality, unenforceability or inconsistency of any provision of this Agreement shall not in any way affect or impair the legality, enforceability or consistency of the remaining provisions of this Agreement. This Agreement may be executed in any number of counterparts and by the different parties on separate counterparts. Each such counterpart shall be deemed an original, but all such counterparts shall together constitute one and the same agreement.
- 4) **DEFINITIONS.** The terms used herein and not otherwise defined or modified herein shall have the meanings ascribed to them in the Security Agreement. The terms used herein and not otherwise defined or modified herein or defined in the Security Agreement shall have the meanings ascribed to them by the Uniform Commercial Code as enacted in New Jersey.

IN WITNESS WHEREOF, the undersigned have signed and sealed this Agreement the day and year first above written.

ATTEST:

THE HORIZON GROUP USA, INC.

By: Rebecca Rowell
Name: Rebecca Rowell
Title: Controller

By: Raymond Bialick
Name: Raymond Bialick
Title: President

ATTEST:

HORIZON FABRICS, INC.

By: Rebecca Rowell
Name: Rebecca Rowell
Title: Controller

By: Raymond Bialick
Name: Raymond Bialick
Title: President

ATTEST:

HIRSCHBERG SCHUTZ & CO., INC.

By: Rebecca Rowell
Name: Rebecca Rowell
Title: Controller

By: Raymond Bialick
Name: Raymond Bialick
Title: President

WITNESS:

By: Raymond Bialick
Name: Raymond Bialick
Title: Executive Vice President

DEVRIAN GLOBAL INDUSTRIES, LLC

By: [Signature]
Name: James H. Cash
Title: Manager

PNC BANK, NATIONAL ASSOCIATION
Lender and as Agent

By: _____
Name: Edward Chonko
Title: Vice President

WITNESS:

By: Raymond Bialick
Name: Raymond Bialick
Title: Executive Vice President

DEVRIAN GLOBAL INDUSTRIES, LLC

By: [Signature]
Name: James H. Cash
Title: Manager

PNC BANK, NATIONAL ASSOCIATION
Lender and as Agent

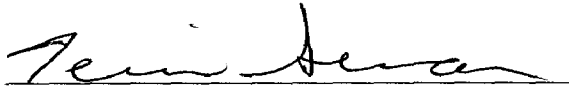
By: [Signature]
Name: Edward Chonko
Title: Vice President

STATE OF NEW JERSEY :
 :SS:
 COUNTY OF :

I CERTIFY that on September 25, 2006, Raymond Bialick personally came before me and stated under oath to my satisfaction that:

- (a) this person is the President of HORIZON GROUP USA, INC., the President of HORIZON FABRICS, INC. and the President of HIRSCHBERG SCHUTZ & CO., INC., the corporations named in this Instrument;
- (b) this Instrument was signed and delivered by the corporations as their voluntary act duly authorized by a proper resolution of their respective Board of Directors;
- (c) this person knows the proper seal of each corporation, both which are affixed to this Instrument;
- (d) this person signed this acknowledgement to attest to the truth of these facts.

Signed and sworn to before me on
 September 25, 2006



Terri Serrano
My Commission Expires
March 31st 2011

STATE OF NEW JERSEY :
 :SS:
 COUNTY OF :

I CERTIFY that on September 25, 2006, James H. Cash personally came before me and stated under oath to my satisfaction that:

- (a) this person is a Manager of DEVRIAN GLOBAL INDUSTRIES, LLC, the limited liability company named in this Instrument;
- (b) this Instrument was signed and delivered by the limited liability company as its voluntary act duly authorized by a proper resolution of their Managers;
- (c) this person signed this acknowledgement to attest to the truth of these facts.

Signed and sworn to before me on
 September 25, 2006



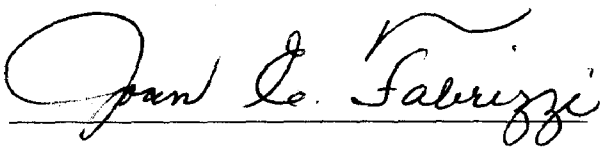
Terri Serrano
My Commission Expires
March 31st 2011

STATE OF NEW JERSEY :
:SS:
COUNTY OF :

I CERTIFY that on September 25, 2006, EDWARD CHONKO personally came before me and stated under oath to my satisfaction that:

- (a) this person is the Vice President of PNC Bank, a National Association, the corporation named in this Instrument;
- (b) this Instrument was signed and delivered by the corporation as its voluntary act duly authorized by a proper resolution of its Board of Directors;
- (c) this person knows the proper seal of the corporation which was affixed to this Instrument;
- (d) this person signed this acknowledgement to attest to the truth of these facts.

Signed and sworn to before me on
September 25, 2006



JOAN E. FABRIZZI
NOTARY PUBLIC, State of New Jersey
My Commission Expires Feb. 24, 2010

SCHEDULE A**COPYRIGHTS**

TITLE	PUBLISHED	REGISTERED	DESCRIPTION	REGISTRATION NUMBER
BUTTERFLY/HEART	June 30, 1998	Sept 29, 2004	Applique	VA-1-265-744
LADY BUG SMALL	June 30, 1998	Sept 29, 2004	Applique	VA-1-265-745
ANGEL/STAR/HEART	June 30, 1998	Sept 29, 2004	Applique	VA-1-265-746
GIRL PURPLE FAIRY	June 30, 1998	Sept 29, 2004	Applique	VA-1-265-747
GIRL FAIRY	June 30, 1998	Sept 29, 2004	Applique	VA-1-265-748
BEE SMILING	June 30, 1998	Sept 29, 2004	Applique	VA-1-265-749
DOG-SHAGGY	June 30, 1998	Sept 29, 2004	Applique	VA-1-265-750
CELL STONES & BLING FOR THINGS DESIGNS	PENDING	June 12, 2006	Designs for rhinestones	VAu-671-704
PREMIUM CRAFT	PENDING	July 25, 2006	Design on canvas	VAu-707-397

SCHEDULE B

PATENTS/PATENT APPLICATIONS

Invention Name	Application Type	Application Serial No.	Filing Date	Current Status
Three Dimensional Coloring Product ("Fuzzy Art")	Utility	11/223,739	9/9/2005	Pending
Glitter Glue Extruder	Utility	11/437,151	5/19/2006	Pending
Yarn Ball Retaining & Dispensing Device	Utility	11/295,399	12/6/2005	Pending
Waterproof LED Light	Utility	11/397,258	4/4/2006	Pending
Display Package	Design	29/237,984	9/9/2005	Allowed - Issue Fee Paid
Display Unit	Design	29/237,987	9/9/2005	Patented (USP D525,878)
Waterproof Display Light	Design	29/242/028	11/3/05	Allowed - Issue Fee Paid 8/14/06
Yarn Ball & Package	Design	29/251,556	1/10/06	Pending
Yarn Ball & Package	Design	29/251,548	1/10/06	Pending

SCHEDULE C

TRADEMARKS

MARK	FILING/REGISTRATION DATE	APPLICATION SERIAL NO.	REGISTRATION NUMBER	STATUS
FANCY FINERY	April 12, 2006	78859817		Pending
CELL STONES	April 12, 2006	78859868		Pending
COOKIE TIME	May 23, 2003	76411954	2906966	Registered
INSTACURL (LOGO)	May 23, 2002	76411605	2884787	Registered
COOKIE TIME (LOGO)	May 23, 2002	76411557	2906965	Registered
INSTA CURL	May 23, 2002	76411053	2946426	Registered
BETTER BEADS (LOGO)	October 10, 2001	76322868	2918324	Registered
BETTER BEADS	December 29, 2000	76189129	2687583	Registered
PATCH IT UP	December 29, 2000	76189126	2737779	Registered
DECORATIVE DETAILS	January 2, 2001	76187998	2712612	Registered
THE YARN BALL	May 10, 2005	78626436		Pending
TRIM COUTURE	August 18, 2005	78695116		Pending
CELEBRATION LIGHTS	August 16, 2005	78693778		Pending
THE CARD CONNECTION (LOGO)	July 29, 2002	76435326	3056747	Registered
THE CARD CONNECTION	July 29, 2002	76435367	2907560	Registered
IT'S SO ME	October 27, 2003	76554536	3090680	Registered
3D VELV-ITS!	November 1, 2004	76618840	3096920	Registered
MAGNE-TECH	November 14, 2005	76650247		Pending
GO CREATE	November 14, 2005	76650201		Pending
THINK BOX	March 14, 2006	76656509		Pending
COLOR ZONE	June 2, 2006	76660978		Pending
SPRAY-TECH	November 14, 2005	76650246		Pending

SCHEDULE D

ITU MARKS

NONE

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CHAD B. SIMON²

¹ Certified Civil Trial Attorney
² Certified Criminal Trial Attorney
³ Certified Matrimonial Attorney
⁴ Certified Workers Compensation Attorney
⁵ National Certified Civil Trial Specialist
Approved by the ABA
¹ Not admitted NJ
² Admitted NY
³ Admitted PA
⁴ Admitted CT
⁵ Admitted DC
⁶ Admitted MA
⁷ Admitted MD
⁸ Admitted VA
⁹ Admitted CA
¹⁰ Admitted FL
¹¹ Admitted IL

November 30, 2006

VIA EXPRESS MAIL

Mail Stop Assignment Recordation Services
Director of the U.S. Patent and Trademark Office
PO Box 1450
Alexandria, VA 22313-1450

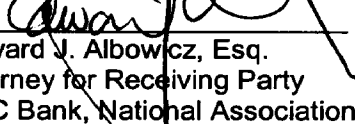
Re: Our Client/Matter No.: 093193.224
Owners: Horizon Group USA, Inc.; Horizon Fabrics, Inc.; Hirschberg Schutz & Co.,
Inc. and Devrian Global Industries, LLC

Sir:

Kindly file the enclosed papers indicated below. Also enclosed is a check in the amount of \$565.00 in payment of the estimated fee. Please do not hesitate to contact the undersigned with any questions.

- (x) Trademark Recordation Form Cover Sheet
- (x) Patents, Trademarks and Copyrights Security Agreement.

Respectfully submitted,
WILENTZ, GOLDMAN & SPITZER, P.A.

By: 
Edward J. Albowicz, Esq.
Attorney for Receiving Party
PNC Bank, National Association

Enclosures

Express Mail mailing label
Number ED 933320302 US
Date of Deposit 11/30/06

I hereby certify that this paper or fee is being
deposited with the United States Postal Service "Express Mail Post
Office to Addressee" service under 37 CFR 1.10 on the date
indicated above and is addressed as indicated above


Edward J. Albowicz, Esq.

#2826870 (093193.224)

RECORDED: 12/01/2006

TRADEMARK
REEL: 003446 FRAME: 0767